



AUTHOR OF THE CHANGING ANATOMY OF BRITAIN

ANTHONY SAMPSON



THE SEVEN SISTERS

**THE GREAT OIL COMPANIES AND
THE WORLD THEY MADE**

asked Truman whether he regarded Exxon's agreement with I. G. Farben as treasonable, he replied 'Why, yes, what else is it?'

The attacks eventually spent themselves, but the company never altogether recovered its old confidence. Even John D. Rockefeller II, who had kept studiously aloof from his father's creation, felt compelled briefly to investigate. Exxon sales suffered from the public outcry, and the board was determined to reorganise its public relations, to break down the tradition of secrecy, and to inform itself about its own company. As one director, Wallace Pratt, put it: 'I have come, in short, to rate as indispensable to the successful oilman a thorough knowledge of the corporation he directs.'

Teagle and Farish were both broken by the accusations of treason. Farish was still recovering from the experience eight months later, at Teagle's estate, when he collapsed and died. Teagle lost all his customary confidence, became nervous and fumbling, and resigned before the end of his term at the end of 1942.¹⁹

For Deterding, the end was more justly ignominious. By the mid-thirties, while he was still head of Shell, his behaviour had already become increasingly autocratic with signs of incipient megalomania; and his memoirs published in 1934 showed signs of this: he spelt the word oil with a capital O, and proclaimed: 'If I were dictator of the world—and please, Mr. Printer, set this in larger type—I WOULD SHOOT ALL IDLERS AT SIGHT.' His influence on the company was erratic and as one Shell veteran recalls: 'Deterding's interventions were like thunderstorms; suddenly flattening a field of wheat, while leaving other fields unscathed.' The stately managers of Shell began to have the worrying impression that their Director-General was going mad, and still worse, going pro-Nazi. His anti-Communism, spurred on by his Russian second wife, had already made him sympathetic to the Nazis. But in 1936, just after he had celebrated his seventieth birthday and his fortieth year with Shell, he married a third time, to a German girl, Charlotte Knaack, who had been his secretary. He was now convinced that the Nazis were the only solution to the Communist menace.²⁰

With great embarrassment, his fellow-directors finally eased him out of the post he had occupied for thirty years. He then went to live permanently on his estate in Mecklenberg in Germany, making frequent visits to Holland, to encourage closer relations

between the two countries, and becoming intimate with the Nazi leaders. He died six months before the outbreak of war: memorial services were held in all Shell offices in Germany and Hitler and Goering both sent wreaths to the funeral on his estate.²¹ After the war there was an empty niche in the entrance-hall of the Shell headquarters in The Hague: it was intended for Deterding.

Hitler was also responsible for the disgrace of a third chief executive among the seven sisters: the autocratic President of Texaco, Torkild Rieber. He was an engaging buccaneer, the protégé of the founder of Texaco, Joe Cullinan, and he had a romantic background. He had first come to Texas as a Norwegian skipper's mate, taking oil from Port Arthur. Four years later Texaco bought the tanker and with it Rieber, who helped organise Texaco's tanker fleet. He eventually rose to the top, and 'Cap' Rieber became a famous Houston figure: a stocky broad-smiling man with a thick Norwegian accent, a sailor's cap and a parting in the middle. Like Deterding, Rieber had great daring: he built a 260-mile pipeline across the Andes to carry Colombian oil to the sea, and he pushed into Saudi Arabia by joining forces with Socal (see next chapter). He had a sailor's internationalism, but without any real political instinct: the world was a market with no barriers or taboos.

Rieber first came into trouble with Washington in 1937 when Texaco tankers taking oil consigned for Belgium mysteriously changed direction to Franco's ports in Spain, in the middle of the Spanish Civil War. Roosevelt was furious at this violation of the neutrality law, and his Attorney-General warned Rieber that Texaco would be indicted for conspiracy, but supplies still continued, through Italy. Texaco altogether sent oil worth \$6 million to Franco, on credit, to be paid for after the war: Franco's military position would have been much more perilous without these precious cargoes.²² Rieber also made contact through Spain with leading Nazis and agreed to supply oil from Colombia to Germany. He continued shipments after the outbreak of the European war in 1939, dodging the British embargo by sending the tankers to neutral ports. He could not get money out of Germany, so he made a barter agreement to be paid with three tankers from Hamburg, which served to bring him closer to the Nazis. He saw Goering in Berlin to clinch the deal, but Goering insisted that in return for the tankers he needed something more—Rieber's diplomatic support. Accordingly, in January 1940, Rieber went to see Roosevelt, to put

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